

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT
OF PUERTO RICO**

IN RE:

**Case #14-0904(BKT)
Chapter 11**

CESAR I VARGAS QUIÑONES

Debtor in Possession

**APPLICATION FOR COMPENSATION OF DEBTOR=S COUNSEL
TO THE HONORABLE COURT;**

COMES NOW, Garcia- Arregui & Fullana and very respectfully states and prays:

1. On November 14,2014 debtor abovementioned filed a petition for relief pursuant to the provisions of section 1101 et seq. of title 11 U.S.C.A.
2. On November 18, 2015 the undersigned filed it application for appointment as counsel for Debtor (Docket #7). The same was approved on December 9, 2014 (Docket # 16)
3. Applicant in the fulfillment of its duties as counsel for debtor , has had numerous conferences with debtor, his accountant as well as counsel for other parties including, PREPA , among others. Counsel has appeared before this Honorable Court at all instances required representing the interest of the Estate and debtor in Possession; such as the initial debtors' interview, the 341 hearing (June 12, 2012) and the status hearing held on June 20, 2012., negotiations with Banco Popular regarding the real estate property belonging to the Debtor (docket #55) and the hearing of approval of Disclosure Statement held on October 7, 2015
4. Counsel has met, prepared and discussed with Debtor officers and accountants the initial drafts of the Disclosure Statement. Also has evaluated the claims filed in order to

prepare objection to several of them after consultation with the accountant. The disclosure statement was approved by this Honorable Court per order dated December 28, 2012.

6. Attached hereto and made parte hereof is a statement showing with more detail and particularity of the professional services rendered by applicant extracted from Applicant 's time records; for the time period of from October 1, 2014 up and including October 8, 2015.

7. Applicant has performed the services which will be set forth in hereto and which services have been performed on an hourly basis, at a the rate of \$250.00 per hour for Isabel M. Fullana admitted to practice before the Supreme Court of Puerto Rico on November 6, 1979, Associates' work is charged on an hourly basis at the rate of \$150.00. Paralegal work is charged on an hourly basis at rate of \$90.00 per hour.

8. The aforesaid rates are considered to be reasonable considering the nature of the case, the work performed and which are similar to the rates charged by applicant to non bankruptcy clients for similar services. The services performed by each professional are identified with their initials

9. A summary of professional time and fees requested in this application is a follows:

	Hours	Rate	Total
Isabel M Fullana	61.60	250.00	\$15,400.00
Eduardo Capdevila	.4	125.00	36.00
Paralegal	14.50	90.00	1,305.00

10.. The source of the funds to be paid to Applicant by Debtor if authorized by this Honorable court, shall be from funds available from the operation of Debtor's business affairs and or consigned with the Clerk's Court for such purposes.

10. The case status is the following:

- a. The petition, schedules, SOFA, creditor s lists and matrix (docket 1)all have been prepared and filed within the time periods required.
- b. The IDI information matters and meetings have all bee complied with as application for attorneys, accountants for the debtor have been filed and approved(dockets 7,1, 48,56)
- c. The 341 hearing meeting was completed and closed on January 12,201 (Docket # 20)
- d. A status report was timely filed (docket # 21) and a hearing on the same was held on January 28,2015 (22,23)
- e. Debtor in Possession filed several extension to the time to file his disclosure statement, on July 31, 2015 a Disclosure Statement and Plan of Reorganization was filed (Docket 76 ,77) . A hearing to consider the approval of the same and the objection filed by IRS was held on October 7, 2015 and the same was re scheduled for December 2, 2015.(docket 92,93)
- f. The amounts of cash and estate assets appear from the MOR filed and the schedules.
- g. All MORS up to the month of August (Docket 86) and US trustees fees have been paid and filed as of the date of the present application.

11. Applicant is providing an itemized description of services rendered in chronological order.
12. As set forth the total services performed by Garcia- Arregui & Fullana Law Firm amounts to \$ 16,755.00 and \$354.39 for expenses. Counsel received a retainer prior to the filing of the petition in the amount of \$7,500.00 to cover fees and filing expenses.
13. There is no agreement on the part of Applicant for the sharing of any of the compensation received or to be received, except customary payments to members, partners and regular associates of the firm.
14. The invoice enclosed was reviewed and approved by the Debtor Dr. Cesar I Vargas Quiñones.

CERTIFICATION

The undersigned **certifies** under penalty of perjury that he has read the foregoing application subscribed by him, and to the best of his knowledge and belief formed after reasonable inquiry the compensation and expense reimbursement sought conform to the United States Bankruptcy Court for the District of Puerto Rico 's Guideline for Compensation and Expense Reimbursement for Professional the fee for services is billed in accordance with the practice no less favorable to the Debtor that those customary utilized by Applicant generally.

NOTICE

Unless an objection to the Application is filed **within twenty one (21) days** from service of this notice, after service as evidenced by the certification, and an additional three days (3) pursuant to Fed. R Bank P 9006(f) **if you were served by mail**, any

party against whom this application has been served, or any other party to the action who objects to the relief sought herein, shall serve and file an objection or other appropriate response to this motion with the Clerk's office of the US Bankruptcy Court for the District of Puerto Rico. If no objection or other response is filed **within the time allowed herein**, the motion will be deemed unopposed and may be granted unless(i) the requested relief is forbidden by law; (ii) the requested relief is against public policy; or (iii) in the opinion of the Court, the interest of justice requires otherwise.

WHEREFORE, it is respectfully prayed that an order be entered approving the present First application for compensation as counsel for Debtor in Possession in the amount of \$ 16,755.00, plus \$354.39 for expenses and for any other and further relief as it may seem just and proper.

RESPECTFULLY SUBMITTED

In San Juan, Puerto Rico, this 13th day of October 2015.

I HEREBY CERTIFY that on this same date I electronically filed the foregoing with the Clerk of the Bankruptcy Court using CM/ECF system which will send electronic notification to the following, the US trustee's office and to any other party in interest that has requested notice.

S/ ISABEL M FULLANA
GARCIA-ARREGUI & FULLANA
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1101 Citibank Tower San Juan,
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Dr. Cesar Vargas
c/o Milagros Perez

October 15, 2015

Invoice 10953
#

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
10/8/2014 Initial compilation of information chapter 11 case	1.00 250.00/hr	250.00
10/14/2014 Phone Conference with Lic. Luzón in re: Vista 10/20/2014; Oposición a Moción Sentencia Sumaria y Solicitud de Post posposicion	0.30 250.00/hr	75.00
Información del programa de Credit Counseling	0.20 250.00/hr	50.00
10/15/2014 Receipt, review and lodging of Order granting 10 days to "demandante"	0.20 250.00/hr	50.00
10/16/2014 Data and information intake in re: software / preparing documents ; Recibo Oposición a Moción Sentencia Sumaria	1.80 250.00/hr	450.00
10/29/2014 Prepare petition and schedules	2.00 250.00/hr	500.00
11/5/2014 Drafted motion ordered by Court on November 3, 2014 in regard to plaintiff motion and reply to Summary Judgment /ECD	4.60 90.00/hr	414.00
Started working on draft of motion for Judgment on the pleadings pursuant to Rule 10.3 /ECD	1.40 90.00/hr	126.00
11/6/2014 Completed Motion for Judgment on the pleadings. Worked on arguments based on the UCC (Ley de Transacciones Comerciales) and the Civil Code's Deposition as a debt purchase by another creditor/ ECD	7.10 90.00/hr	639.00

	<u>Hrs/Rate</u>	<u>Amount</u>
11/7/2014 Draft review final draft Moción por alegaciones	0.60 250.00/hr	150.00
11/13/2014 Phone call to San Sebastian's Court, clerk's office, to check up on motion status. They informed me that the motion was received and the trial was converted to Status Conference/ ECD	0.20 90.00/hr	18.00
Hearing status: Monday - November 17	0.30 250.00/hr	75.00
Meeting with client new draft of petition, schedules and statement of financial affairs	1.50 250.00/hr	375.00
Compiling information filing case additional information provided as to the real estate appraisals	1.80 250.00/hr	450.00
11/14/2014 Final drafting preparing chapter 11 Petition; application and filing motion to stay proceeding in San Sebastian	2.00 250.00/hr	500.00
11/17/2014 Correction of entry; B-21 an creditor mailing	0.80 250.00/hr	200.00
11/19/2014 Receipt, review and lodging of IDI letter and Notice of meeting; Inform to debtor	0.60 250.00/hr	150.00
11/25/2014 receipt review POC filed by Santander	0.60 250.00/hr	150.00
12/1/2014 Receipt, review and lodging of letter IDI; compilation of information requested	0.80 250.00/hr	200.00
12/3/2014 Review proof filled by creditors	0.60 250.00/hr	150.00
12/6/2014 Meeting for signing documents for IDI (Initial Debtor Interview) to filing at Bankruptcy Court. Discussion as to procedure at the IDI and additional information as to status of release .	0.60 250.00/hr	150.00
12/8/2014 Compilation documentation to IDI	2.00 250.00/hr	500.00
12/12/2014 Court Appearance for Hearing: IDI Hearing	1.50 250.00/hr	375.00
1/9/2015 Court Appearance for Hearing: 341 Hearing (10:00 - 11:30 am)	1.50 250.00/hr	375.00
1/21/2015 Review file draft status report as to status of case; Follow up on professional ace and other lawyer	1.80 250.00/hr	450.00
1/26/2015 Receipt & review Minutes of 341 Hearing pending matter to be corrected	0.60 250.00/hr	150.00

		<u>Hrs/Rate</u>	<u>Amount</u>
1/27/2015	Meeting with debtor accountant, retaining and information required to prepare MOR; Status of claims filed by Hacienda - evasion contributiva	0.80 250.00/hr	200.00
	Research - discharge in chapter 11, case individual taxes	1.00 250.00/hr	250.00
1/28/2015	Court Appearance for Hearing, re: to consider status hearing; Conference with Banco Popular in re: properties	1.80 250.00/hr	450.00
1/29/2015	Phone call in re: opening debtor's accountant	0.30 250.00/hr	75.00
2/11/2015	Phone Conference in re: information being requested for the municipality of San Sebastian, patente	0.60 250.00/hr	150.00
2/23/2015	Amendment Financial Statements and Schedules, income and expenses	1.80 250.00/hr	450.00
2/25/2015	Meeting with debtor in re: (1)amendments to schedules (2) MOR (3) poliza/employment of professionals	1.50 250.00/hr	375.00
2/27/2015	Draft and reply order to show cause; attachment; filing amended schedules and statement of final of facts	1.00 250.00/hr	250.00
3/3/2015	Draft and sworn statement - Accountant	0.80 250.00/hr	200.00
3/4/2015	Review of status of matter or issue: información sobre deudas - patentes	0.30 250.00/hr	75.00
3/11/2015	Status extension of time to file Disclosure Statement; Phone call to client	0.30 250.00/hr	75.00
3/12/2015	Drafting motion extension of time to file Disclosure Statement	1.00 250.00/hr	250.00
3/16/2015	Review of status of matter or issue: follow up POC Banco Popular	0.20 250.00/hr	50.00
3/26/2015	Receipt, review and lodging of MOR February 2015, application for employment Accountant	0.80 250.00/hr	200.00
4/6/2015	Draft amended certificate of accountant; Email to client	1.00 250.00/hr	250.00
4/9/2015	Phone call with Lcda. Nancy Pujals from the US Trustee's office in regard to the application for employment of accountant/ ECD	0.20 90.00/hr	18.00
	After phone call with Lcda. Pujals, checked and reviewed file to check of the Trustee's objection were accurate and forward it to Lcda. Fullana/ECD	0.40 90.00/hr	36.00

	<u>Hrs/Rate</u>	<u>Amount</u>
4/16/2015 phone conference with Lic. Ruiz counsel for Banco Popular, re draft of proposed stipulation	0.30 250.00/hr	75.00
4/17/2015 Meeting to discuss status/ Stipulation Lift of Stay; Email to Lic. Ruiz signed copy	0.80 250.00/hr	200.00
4/22/2015 Receipt, review and lodging of Stipulation filed	0.30 250.00/hr	75.00
4/24/2015 Drafting Motion requesting amended Certificate of Accountant	1.00 250.00/hr	250.00
5/26/2015 Receipt, review and lodging, order to show cause. Email to client as to status of Prepare modifications to license.	0.60 250.00/hr	150.00
5/27/2015 Legal Research as to requirement to provide medical services under Medicare advantage. Status of hearing on granting of medical license. Hearing postponed.	0.30 250.00/hr	75.00
6/11/2015 Reunion client & accountant Re: Status chapter 11 Case	1.50 250.00/hr	375.00
6/18/2015 Receipt, review and lodging order granting extension to file disclosure statement and plan. Email to client.	0.60 250.00/hr	150.00
6/22/2015 Phone conference with real estate Rogelio O'Neill to be retained to sell properties	0.60 250.00/hr	150.00
6/26/2015 Receipt, review and lodging MOR May 2015	0.60 90.00/hr	54.00
7/3/2015 Draft application Real Estate Broker	1.50 250.00/hr	375.00
7/8/2015 Initial draft and plan for disclosure statement.	2.00 250.00/hr	500.00
7/17/2015 Receipt, review and lodging email. Medical licence has been approved pending delivery.	0.60 250.00/hr	150.00
Final drafting of disclosure statement.	2.00 250.00/hr	500.00
7/21/2015 Compilation of properties value in order to prepare liquidation value/review appraisal.	1.80 250.00/hr	450.00
7/22/2015 Receipt, review and lodging MOR June 2015	0.60 250.00/hr	150.00
7/23/2015 Phone conference Broker. Re: Interested party in 12 cuerdas property. Information as to income to prepare projections and plan	0.30 250.00/hr	75.00

	<u>Hrs/Rate</u>	<u>Amount</u>
8/4/2015 Phone/conference with Rogelio O'Neill. Re: Certificate employment offer for property Barrio Robles.	0.60 250.00/hr	150.00
phone conference with debtor offer submitted by interested party.	0.30 250.00/hr	75.00
8/11/2015 Reunion with client status case, filing disclosure statement.	1.00 250.00/hr	250.00
9/16/2015 status license Dr. Vargas, Hearing on Disclosure statement.	0.60 250.00/hr	150.00
9/17/2015 Draft application for compensation.	1.50 250.00/hr	375.00
Phone call with Real estate Broker possible interest party in the 12 cuerdas property	0.30 250.00/hr	75.00
9/24/2015 Withdrawing Application for compensation.	0.60 250.00/hr	150.00
Review and analyzed objection to confirmation of plan.	0.40 125.00/hr	50.00
10/4/2015 reply to objections to disclosure statement.	1.00 250.00/hr	250.00
10/5/2015 Memo to Millar y contable RE planillas IRS	0.60 250.00/hr	150.00
Research objection filed by IRS.	1.50 250.00/hr	375.00
10/6/2015 Draft reply to objection to IRS. Disclosure statement; review objection filed by IRS / documents recovered by Debtor.	1.50 250.00/hr	375.00
Legal Research cases constructing secured claim for IRS / not under 507.	1.00 250.00/hr	250.00
For professional services rendered	76.50	\$16,755.00
Additional Charges :		
10/16/2014 Fax: Se recibió Resolución y Orden		0.40
11/5/2014 Copying cost: Moción en Cumplimiento de Orden del 3/nov/2014		4.00
Postage: Moción en Cumplimiento de Orden del 3/nov/2014 enviada al Tribunal		2.30
Postage: Moción en Cumplimiento de Orden del 3/nov/2014 notificada a las partes del Certifico		0.69

	<u>Amount</u>
11/7/2014 Postage: Moción para que se dicte Sentencia Parcial y por las alegaciones enviada al Tribunal	2.72
Postage: Moción para que se dicte Sentencia Parcial y por las Alegaciones enviada a las partes de certifico	0.90
11/14/2014 Copying cost: Moción Solicitando Paralización de Orden-Tribunal San Sebastian	2.40
Postage: Moción Solicitando Paralización de Orden enviada a la Lic. Luzón	0.48
Delivery Cost: Radicación en el Tribunal de San Sebastian Moción de Paralización	80.00
Fax: Moción Solicitando Paralización de Orden enviada a la Lcda. Luzón	0.80
11/19/2014 Copying cost: Carta de US Department of Justice del 19/nov/2014	0.60
Copying cost: Documentos para someter al Tribunal de Quiebras: planillas, tasaciones, escrituras, certificaciones de Asume, CRIM y Hacienda, documentos de United States District Court, District of P.R.	46.80
Copying cost: Planillas de Hacienda 2011, 2012 y 2013	1.60
Copying cost: Contrato de Arrendamiento - Jannette González	0.80
Copying cost: Certificaciones de Asume, CRIM y Hacienda	0.60
Copying cost: Voluntary Petition; doc #1, filed 11/14/2014 (radicada)	8.60
Copying cost: Draft - Voluntary Petition	8.40
11/26/2014 Copying cost: Docket Text, doc #10, Notice of Creditors 341 Meeting	0.20
12/4/2014 Fax: documentos recibidos del IRS	1.40
12/5/2014 Copying cost: Documentos para someter al Tribunal de Quiebra para IDI, tales como tasaciones, escrituras, pagare, etc.	57.00
12/9/2014 Delivery Cost: Entregar documentos relacionados al IDI (Initial Debtor Interview) en las oficinas del US Trustee, Viejo San Juan	8.00
12/12/2014 Cost of parking: Hearing IDI, Viejo San Juan	5.35
12/23/2014 Copying cost: Email enviado a Milagros en re: reseñalamiento de vista	0.20
12/30/2014 Cost of use pacer system filing of motions/ receiving from court: Pacer Service desde 10/21/2014 hasta 12/23 2014, case #14-09404	7.10
1/8/2015 Copying cost: Planillas 2011 al 2013, certificaciones de no ventas en Banco Popular y Cooperativa, facturas de Joyeros, contrato de arrendamiento	9.00
1/12/2015 Cost of parking: Hearing 341, Viejo San Juan, Tribunal de Quiebras	5.35

	<u>Amount</u>
1/21/2015 Copying cost: Claims Register filed 2015	0.20
Copying cost: Proof of Claim - Minerva González; Claim 3-1, filed 12/04/2014	0.80
Postage: Compliance as to the Status Report; doc #21, filed 01/21/2015	4.80
Copying cost: Compliance as to the Status Report; doc #21, filed 01/21/2015	8.80
1/26/2015 Copying cost: Minutes of meeting of creditors	0.60
2/3/2015 Copying cost: Email recibido sobre venta deudor	1.00
2/11/2015 Solicitar copia certificada en el Tribunal de Quiebras, San Juan, del siguiente documento: Notice	11.00
Delivery Cost: Ir al Tribunal de Quiebras, Viejo San Juan, para solicitar documento certificado por el tribunal (Notice) / ida y vuelta	8.00
Delivery Cost: Tribunal de Quiebras, Viejo San Juan, para certificar Notice	8.00
2/12/2015 Copying cost: Order and Notice; doc #25, filed 02/02/2015	0.20
Copying cost: Certificate of Notice; doc #13, filed 11/28/2014	0.60
Copying cost: Proof of Claim del CRIM - Claim 2-1, filed 12/01/2014	4.20
2/13/2015 Postage: Certificate of Notice - original certificado por el Tribunal	0.48
2/25/2015 Copying cost: Amended Statements of Financial Affairs, case #14-bk-9404	1.20
Copying cost: Amended Schedule F-Creditors Holding Unsecured Nonpriority Claims	5.40
3/2/2015 Copying cost: Amended	0.20
3/6/2015 Cost of use pacer system filing of motions/ receiving from court: Pacer Service desde 1/05/2015 hasta 3/03/2015, caso #14-09404	9.60
3/12/2015 Copying cost: Motion Requesting an Extension of Forty Five (45) Days to Complete and File the Disclosure Statement and Plan of Reorganization; doc #46, filed 03/12/2015	0.60
3/27/2015 Copying cost: Monthly Report - 1st to 28 Feb. 2015	3.20
Copying cost: Certificate of Accountant	0.60
4/21/2015 Copying cost: Joint Stipulation for Relief from the Automatic Stay	1.40
4/30/2015 Copying cost: Monthly Report 1ro marzo al 31 marzo 2015	3.20
5/22/2015 Copying cost: Monthly report April	3.20

	<u>Amount</u>
6/18/2015 Copying cost: Copia cheque enviado al US Trustee	0.40
6/24/2015 Copying cost: monthly report	3.20
7/6/2015 Copying cost: Application for employment of Real Estate Broker. Do 68 filed 07/03/2015	2.00
8/12/2015 Disclosure Statement- Doc 76 -Filed 07/31/2015	11.00
8/27/2015 Monthly Report- Julio 1ero @ Julio 30 del 2015	1.60
9/17/2015 Postage: Notice and Certificate of mailing Doc-82 / Filed 09/17/2015	0.50
Notice and certificate of mailing - Doc 82 - Filed 09/17/1	1.36
9/24/2015 Doc 78 - order and notice - filed 08/03/2015	0.08
9/25/2015 monthly report de august.	1.28
Total costs	<u>\$354.39</u>
Total amount of this bill	<u>\$17,109.39</u>
Balance due	<u>\$17,109.39</u>

I HEREBY CERTIFY THAT THE PRESENT INVOICE HAS NOT BEEN PAID. PLEASE INCLUDE INVOICE NUMBER. THANK YOU.

